



Joint Legislative Audit Committee  
Office of the Auditor General



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**FINANCIAL AUDIT REPORT**  
**COLLIER PARK PRESERVATION FUND**  
**YEAR ENDED JUNE 30, 1979**

REPORT TO THE  
CALIFORNIA LEGISLATURE

REPORT **F-820-156**

REPORT OF THE  
OFFICE OF THE AUDITOR GENERAL  
TO THE  
JOINT LEGISLATIVE AUDIT COMMITTEE

820-156

FINANCIAL AUDIT REPORT  
COLLIER PARK PRESERVATION FUND  
YEAR ENDED JUNE 30, 1979

OCTOBER 1980



# California Legislature

## Joint Legislative Audit Committee

GOVERNMENT CODE SECTION 10500 et al

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S. FLOYD MORI  
DANIEL BOATWRIGHT  
LEROY GREENE  
BRUCE NESTANDE

□ STATE CAPITOL  
SACRAMENTO 95814  
(916) 445-7380  
  
□ 925 L STREET  
SUITE 750  
SACRAMENTO 95814  
(916) 445-0255

S. FLOYD MORI  
CHAIRMAN

November 21, 1980

820-156

The Honorable Speaker of the Assembly  
The Honorable President pro Tempore of the Senate  
The Honorable Members of the Senate and the  
Assembly of the Legislature of California

Members of the Legislature:

Your Joint Legislative Audit Committee respectfully submits the  
Auditor General's financial audit report of the Collier Park  
Preservation Fund, year ended June 30, 1979.

The auditors are Curt Davis, CPA; Michael C. Dendorfer, CPA;  
Sandra Bevers; and Laurine Bohamera.

Respectfully submitted,

S. FLOYD MORI  
Chairman, Joint Legislative  
Audit Committee

Attachment

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## INTRODUCTION

In response to a resolution of the Joint Legislative Audit Committee and in compliance with federal Office of Revenue Sharing regulations, we have conducted a financial audit of the Collier Park Preservation Fund. This audit was conducted under the authority vested in the Auditor General by Sections 10527 and 10528 of the Government Code.


The Collier Park Preservation Fund was created by Chapter 1502, Statutes of 1974 to provide for the acquisition, planning, and development of state park system projects when appropriated by the Legislature. The Department of Parks and Recreation is responsible for the administration of this fund.

AUDITOR'S OPINION

To the Joint Legislative Audit Committee of the California Legislature:

We have examined the balance sheet of the Collier Park Preservation Fund as of June 30, 1979 and the related statements of revenues, expenditures, and changes in fund balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the Collier Park Preservation Fund as of June 30, 1979 and the results of operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

  
\_\_\_\_\_  
WESLEY E. VOSS  
Assistant Auditor General

Date: March 7, 1980

Staff: Curt Davis, CPA  
Michael Dendorfer, CPA  
Sandra Bevers  
Laurine Bohamera

STATE OF CALIFORNIA  
COLLIER PARK PRESERVATION FUND  
BALANCE SHEET  
CAPITAL PROJECT FUND

JUNE 30, 1979

ASSETS

Cash	<u>\$7,837,762</u>
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LIABILITIES, ENCUMBRANCES  
OUTSTANDING, AND FUND EQUITY

Liabilities:	
Accounts payable	\$ 112,966
Due to other funds	<u>377</u>
Total Liabilities	<u>113,343</u>
Encumbrances Outstanding	<u>1,985,668</u>
Fund Equity:	
Fund balance (Note 3)	<u>5,738,751</u>
Total Fund Equity	<u>5,738,751</u>
Total Liabilities, Encumbrances Outstanding, and Fund Equity	<u>\$7,837,762</u>

The notes to the financial statements are an integral part of this statement.

STATE OF CALIFORNIA

COLLIER PARK PRESERVATION FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
CAPITAL PROJECT FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 1979

Revenues:	
Charges for services (Note 2)	\$ 7,000,000
Miscellaneous revenues	<u>21,057</u>
Total Revenues	<u>7,021,057</u>
Expenditures:	
State operations	1,720,989
Capital outlay	6,317,740
Miscellaneous adjustments	<u>57,948</u>
Total Expenditures	<u>8,096,677</u>
Excess of Expenditures over Financing Sources	(1,075,620)
Other Uses:	
Transfers to other funds	<u>(500,000)</u>
Total Uses	<u>500,000</u>
Excess of Expenditures and Other Uses over Revenues, Expenditures, and Other Uses	(1,575,620)
Fund Balance - July 1	<u>7,314,371</u>
Fund Balance - June 30	<u>\$ 5,738,751</u>

The notes to the financial statements are an integral part  
of this statement.



COLLIER PARK PRESERVATION FUND  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 1979

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements reflect the financial position and the results of operations of the Collier Park Preservation Fund. The statements have been prepared in conformity with generally accepted accounting principles applicable to state and local governments as prescribed by both the American Institute of Certified Public Accountants and the National Council on Governmental Accounting.

The accompanying financial statements are structured into a Governmental Fund Type, through which most governmental functions are financed. The State Controller maintains the central accounts for all state funds and publishes fund statements annually. The acquisition, use, and balances of the government's expendable financial resources and the related current liabilities -- except those accounted for in Proprietary Funds -- are accounted for through governmental funds. Included in this category are Capital Project Funds.

The Collier Park Preservation Fund is a Capital Project Fund used to account for financial resources for the acquisition or construction of capital facilities, and its records are maintained on a modified accrual basis of accounting. These are some of the more significant elements:

Income

Throughout the fiscal year income including revenues, transfers, and reimbursements, except for certain reimbursements which are recorded when billed, are accounted for on a cash basis. At June 30, these accounts are adjusted to accrue earned but uncollected income.

Expenditures

Expenditures are accounted for at the time claims for payment are filed with the State Controller. At June 30, all valid expenditure commitments are accrued as expenditures, including encumbrances outstanding against budget appropriations for which no goods or services have been received.

2. REVENUES--CHARGES FOR SERVICES

This account represents revenues collected for the use of any state park system area. Public Resources Code Section 5010 provides that income from the use of any state park system, excluding income received from boats or boating facilities, is first deposited in the Collier Park Preservation Fund. Any income, excluding income from boats or boating facilities, received in excess of \$7 million is deposited in the General Fund. Income collected for the use of state park system areas totaled \$14.1 million for the year ended June 30, 1979. Seven million dollars was deposited in the Collier Park Preservation Fund and the remaining \$7.1 million was deposited in the General Fund.

3. FUND BALANCE

This entry represents the amount available for future acquisition, planning, and development of additional state park system projects.

#### OTHER COMMENTS

Management letters describing suggested improvements were issued to appropriate departments or agencies in conjunction with certain recommended adjusting entries necessary to achieve compliance with generally accepted accounting principles.

cc: Members of the Legislature  
Office of the Governor  
Office of the Lieutenant Governor  
Secretary of State  
State Controller  
State Treasurer  
Legislative Analyst  
Director of Finance  
Assembly Office of Research  
Senate Office of Research  
Assembly Majority/Minority Consultants  
Senate Majority/Minority Consultants  
California State Department Heads  
Capitol Press Corps